



1 STATE BOARD OF COMMUNITY COLLEGES CODE

2 TITLE 1. COMMUNITY COLLEGES

3
4 CHAPTER D. EDUCATION PROGRAMS

5
6 SUBCHAPTER 700. GENERAL PROVISIONS

7
8 ~~1D SBCCC 700.99 — Live Projects~~

9 (a) ~~Live projects are defined as:~~

10 (1) ~~educational programs in which students, as part of their educational experiences, repair or~~
11 ~~remodel equipment not owned by the college; or~~

12 (2) ~~educational programs that produce goods that are sold or services for which charges are made,~~
13 ~~such goods or services being the normal and necessary product of learning activities of~~
14 ~~students.~~

15 (b) ~~In the case of (a)(1) of this Rule, the owner of the equipment must supply or pay for all parts~~
16 ~~required. In the case of (a)(2) of this Rule, the following regulations apply:~~

17 (1) ~~Where federal programs are involved, rules do not permit goods to be sold. In such programs,~~
18 ~~goods produced may be used for the benefit of the college or donated to another non-profit~~
19 ~~charitable or educational agency or institution.~~

20 (2) ~~For live projects that involve the purchase of equipment from the state or federal surplus~~
21 ~~property agency, the repair of this equipment and its sale as surplus under the rules of the State~~
22 ~~Division of Purchase and Contract, the proceeds of such sales shall be deposited with the State~~
23 ~~Board and credited to the equipment budget of the college.~~

24 (3) ~~In other programs that fall under the above definition of live projects:~~

25 (A) ~~The local board of trustees shall approve rules, consistent with state laws and rules,~~
26 ~~covering the disposal of goods and services, charges made, etc.~~

27 (B) ~~The local board of trustees shall provide that the receipts be deposited to the State Treasurer~~
28 ~~(unless a "special local" fund account arrangement has been worked out in keeping with~~
29 ~~rules of the department). Receipts deposited to the State Treasurer under this provision~~
30 ~~shall be allotted back to the college for expenditures during the same fiscal year.~~

1 ~~(C) Where a "special local" fund arrangement is set up as provided in (b)(3)(B) of this Rule,~~
2 ~~all costs made necessary because goods or services are produced and then sold shall be~~
3 ~~paid from the "special local" account that receives the income. This includes materials~~
4 ~~used in producing the goods and services, extra personnel required to serve customers,~~
5 ~~specialized equipment that would not otherwise be required for instruction alone, and other~~
6 ~~costs directly related to a live project as distinguished from an instructional program that~~
7 ~~does not produce income. Detailed records must be maintained on the special local fund~~
8 ~~account in order that periodic financial statements may be prepared and a complete audit~~
9 ~~of the account made after the close of the fiscal year.~~

10 ~~(D) Where a "special local" fund arrangement is set up as provided in Part (b)(3)(B) of this~~
11 ~~Rule, the local board of trustees shall adopt regulations which set forth the purposes for~~
12 ~~which funds from the special local fund [in excess of those required under Part (b)(3)(C)~~
13 ~~of this Rule] may be used. Such funds shall not be used to supplement regular salaries of~~
14 ~~permanent employees whose base salaries are paid from state or local appropriations.~~

15 ~~(E) Approval as a Special Fund. If a project is expected to continue over an extended period~~
16 ~~of time or if the cost of providing the goods or services is difficult to trace to a particular~~
17 ~~patron, the project may be accounted for as a "special fund". Expenses of these projects~~
18 ~~may be paid out of receipts. The approval of the Department will be required to set up~~
19 ~~projects as special funds.~~

20 ~~(e) The clientele served in providing clinical experience for students by carrying on live projects shall~~
21 ~~be limited to students and employees in the system so far as possible. Where, however, outside~~
22 ~~clients become necessary in order to provide enough experience to carry out educational programs,~~
23 ~~clients shall be selected from the general public on the basis of standing criteria adopted and~~
24 ~~published by the college, not inconsistent with State Board rules.~~

25 ~~(d) The above rules, except those under Subparagraph (b)(2) of this Rule, do not apply to the disposal~~
26 ~~of any state owned equipment, which must be declared surplus and sold by the State Board.~~

27 REPEALED by the State Board of Community Colleges, eff. January 1, 2016.

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29 *History Note: Authority G.S. 115D-5; 115D-14; P.L. 97-300;*

30 *Eff. February 1, 1976;*

31 *Amended Eff. September 1, 1993; August 17, 1981. August 17, 1981;*

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Repealed Eff. January 1, 2016.